

# **Dr. Akhtar Hameed Khan's Vision of Development through Self-Reliance**

*By Nasim Yousaf on Dr. Khan's 9<sup>th</sup> Death Anniversary*

## **Introduction**

“Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime.” Acclaimed social scientist Dr. Akhtar Hameed Khan used to reference this well-known proverb (according to his son, Akbar Khan), as it quite fittingly represents his philosophy on community development. To Dr. Khan, the solution to Pakistan's problems did not lie in giving free charity, but rather in *teaching* people the methods of development, so that they could stand on their own two feet. Dr. Khan's belief in this philosophy is clearly evident through his works, including the Orangi Pilot Project (OPP), a non-governmental organization (NGO or CBO [Community Based Organization]) that focused on self-reliance to improve the lives of the residents of Orangi Town in Karachi, Pakistan.

## **Background**

In Pakistan, a Katchi Abadi refers to a public settlement that is not recognized by the government for a development program or other assistance. According to Dr. Khan, a Katchi Abadi had five inherent problems: housing, sanitation, health, education and employment. The town of Orangi was a prime example of a densely populated Katchi Abadi; it was completely neglected by the Government, and lacked any formal development projects to improve the quality of life of the residents. As a result, the residents were forced to endure a filth-ridden environment lacking a sewerage system, electricity, and other basic amenities. The prevailing conditions translated into a high illness and death rate among the community. Without Government support, the conditions at Orangi remained at a standstill – that is, until the introduction of Dr. Khan's Orangi Pilot Project in 1980. More specifically, two aspects of the project in particular provide especially fitting examples of Dr. Khan's emphasis on self-reliance: (1) the development of a sanitation system by the residents of Orangi and (2) the use of microcredit.

## **Development of a Sanitation System**

As aforementioned, Orangi was littered with filth and the residents lived in the most unhygienic conditions. A major underlying cause of this situation was the lack of an adequate sanitation system – a byproduct of the residents' meager resources and the lack of Government support. Dr. Khan described the problem in the *Pakistan & Gulf Economist* (June 11-17, 1983) in a special report on the Orangi Project:

“A man who has spent Rs. 15,000 or Rs. 20,000 on building his house...cannot pay Rs. 10,000 for the drainage...Though it is so shameful to relate but it is not a secret that for

every hundred rupees charged by the contractor about 20 to 30 per cent is kickback. The contractor himself was not ashamed of admitting that he was charging 40 to 50 percent profit...”

Dr. Khan recognized that there was a problem, but he also knew that it was important to understand the underlying issue before arriving at a solution. According to Dr. Khan’s son, Dr. Khan used to say, “never start a program with a blueprint in mind.” A careful survey of the situation led Dr. Khan to the conclusion that Orangi’s sanitation problem could not be improved without a strong emphasis on self-reliance.

Thus, Dr. Khan sought to empower the residents of Orangi to build their own sanitation system – without aid from the Government or from domestic or international donor agencies. Based on an overarching philosophy of self-reliance, he worked with the residents of Orangi to formalize a plan for their sanitation system. The residents would have to purchase materials from their own pockets to build the sanitation system, and would be required to work on the project without outside charity. Meanwhile, the OPP would provide free technical assistance. Dr. Khan wrote in the *Pakistan & Gulf Economist* (June 11-17, 1983), “The ignorance of the people about the technology of the sewerage system was removed by undertaking teaching programmes.” Dr. Khan ensured that the entire initiative was undertaken ethically and with the utmost sense of transparency. For instance, residents would have the liberty to buy materials from a source of their choice, in order to ensure that the OPP would not be accused of taking commission from a recommended shop.

The sanitation project at Orangi proved to be a tremendous success. Through their collective efforts, the residents of Orangi were able to build a modern sewerage system for the town. Aside from the health benefits of the new system, the process of building the system proved to be a valuable activity in itself. The residents learned how to problem solve and work collectively to achieve common goals. They were also able to pass on the techniques they learned to others. And the project was completed ethically, without corruption. For the country, the initiative at Orangi saved money for the government exchequer, as it developed the community inexpensively, free from costly foreign loans or foreign experts. Perhaps the most important benefit of the development of the sanitation system at Orangi was that it proved to the world that impoverished communities could be developed on a self-help basis.

### **Microcredit at Orangi**

Like the development of the sanitation system, the application of microcredit at Orangi is another example of Dr. Khan’s firm belief in self-reliance. Dr. Khan had originally applied microcredit at the Comilla Co-operatives at the Pakistan Academy for Rural Development (PARAD) (now Bangladesh Academy for Rural Development - the successful application of microcredit at Comilla led to its adoption by Nobel Prize winner Professor Mohammad Yunus and others).

Based on the success of microcredit at Comilla, Dr. Khan launched a similar scheme at OPP. He established the OPP-Orangi Charitable Trust (OCT) to provide residents with small loans for running micro-enterprises of their choice. For example, a resident could borrow funds to open a tailoring shop or to sell arts and crafts. Microcredit enabled those who were unemployed to become self-employed, and thereby transformed them into active contributors in the country's economy. It also reaffirmed the concept of self-reliance in order for the residents to improve their lives.

The microcredit concept was well received at Orangi, and its success is evident even today. In fact, 70% of the 1.2 million residents of Orangi Town are self-employed. Furthermore, the recovery rate on loaned funds remains strong at 95% (<http://www.oppoct-microcredit.com/Process%20of%20Loan.htm>).

Dr. Khan's microcredit scheme has been praised globally. MicroCapital Monitor, a journal from Massachusetts (USA), wrote in its May 2008 issue (dated May 2008, Volume 3 Issue 5) under the title *Pioneers in Microfinance: Dr. Akhtar Hameed Khan* (a series sponsored by Deutsche Bank), "Dr. Akhtar Hameed Khan helped lay the basic foundations of the microcredit movement through his work on the Comilla Model of rural development in the 1960s and the Orangi Pilot Project in the 1980s."

Thus, through the concept of microcredit, Dr. Khan once again successfully harnessed the concept of self-reliance to help the residents' of Orangi improve their lives and also to set an example for others to follow.

## **Conclusion**

From the very beginning, the OPP has worked without Government or foreign aid, loans or foreign advisors. The initiative has completely relied on local resources and manpower. Based on the success of the OPP, domestic and international experts (including students from various universities around the world) began to visit the OPP. The institution has thus transformed into a learning and development center for undertaking projects on a self-help basis. Papers the world-over continue to be written on the OPP. Its success can be further gauged from the fact that the OPP Model is being replicated not only in Pakistan, but throughout many parts of the world, including Sri Lanka, India, Nepal, South Africa, and Central Asia (*Dawn* October 13, 1999). Furthermore, the rise of microfinance and microcredit techniques has led to the creation of a large number of Non-Governmental Organizations (NGO), foundations, and journals focusing on the subject.

The tremendous success of the "Development through Self-reliance" model would not have been possible without the visionary leadership of Dr. Akhtar Hameed Khan. Taken in isolation, Dr. Khan's work at Orangi is a *remarkable* achievement. However, when considering its impact on other development efforts around the world, it becomes a *revolutionary* achievement. Though Dr. Khan passed away in October of 1999, he has left behind a legacy of new concepts, ideas, and admirers the world over. In an article on October 22, 2000, Indian daily newspaper *The Hindu* wrote, "Just who would you vote

for as the greatest Gandhian in the Indian sub-continent in the post-Independence period? Our vote will unhesitatingly go to the Pakistani social scientist Akhtar Hameed Khan...[his] death is a loss not just for Pakistan but for everyone in the subcontinent. But like Gandhi he will remain immortal because of the inevitability of his ideas.” During a keynote address on June 21, 2008 at the annual Dr. Akhtar Hameed Khan Memorial Lecture, K. Raju (Principal Secretary to the Rural Development Department, Government of Andhra Pradesh Hyderabad) stated that Dr Khan “deeply influenced the development discourse not only in this country but in several others, including my own country, India...we believe that Khansaheb was the greatest Gandhian of the entire sub-continent in the postindependence period” ([http://www.irm.edu.pk/ahkrc-new/Annual\\_Memorial\\_lecture\\_2008.asp](http://www.irm.edu.pk/ahkrc-new/Annual_Memorial_lecture_2008.asp)).

In closing, it is important to note that Dr. Khan’s accomplishments are Pakistan’s accomplishments as well - as a Pakistani citizen, he is widely recognized for benefiting the lives of millions around the world. And although this social scientist and reformer has passed away, the spirit of self-reliance and community-based development that he inspired shall live on forever.

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